

# **REPORT OF THE COMMITTEE ON BUDGET**

## **Voting Members:**

Ann H. Kobayashi, Chair; Stanley Chang, Vice Chair;  
Carol Fukunaga, Joey Manahan, Kymberly Marcos Pine

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Committee Meeting Held  
May 13, 2014

Honorable Ernest Y. Martin  
Chair, City Council  
City and County of Honolulu

Mr. Chair:

Your Committee on Budget, which considered Resolution 14-53 entitled:

"RESOLUTION DETERMINING THE REAL PROPERTY TAX RATES FOR THE  
CITY AND COUNTY OF HONOLULU FOR THE FISCAL YEAR JULY 1, 2014  
TO JUNE 30, 2015,"

which a public hearing was held at the April 16, 2014 Council Meeting, reports as  
follows:

The purpose of the Resolution is to set the real property tax rates for the City and  
County of Honolulu for the Fiscal Year 2014 – 2015.

The Deputy Director of the Department of Budget and Fiscal Services testified in  
support of the \$0.50 increase to the tax rate assessed on residential A properties, but  
testified in opposition to the \$0.50 reduction to the tax rate assessed on hotel and resort  
properties.

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**CITY COUNCIL**  
CITY AND COUNTY OF HONOLULU  
HONOLULU, HAWAII

ADOPTED ON **JUN 4 2014**

COMMITTEE REPORT NO. **145**

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Your Committee received no testimony from members of the public.

Your Committee received testimony from the following institutions, organizations, and governmental agencies:

1. Craig Anderson, General Manager, Moana Surfrider, A Westin Resort & Spa
2. Michael Iosua, Imanaka Asato, A Limited Liability Law Company, representing Marriott Vacations Worldwide Corporation
3. Dane Nakamura, Controller, The Imperial Hawaii Vacation Club
4. Frederick Orr, General Manager, Sheraton Princess Kaiulani
5. Henry Perez, Chair, Association of Resort Developers (ARDA) -- Hawaii
6. Kelly Sanders, Area Managing Director Waikiki, Starwood Hotels & Resort, General Manager, Sheraton Waikiki
7. Gary M Slovin / Mihiko E. Ito, on behalf of Wyndham Vacation Ownership
8. Max Sword, Outrigger Hotels Hawaii
9. George Szigeti, President & CEO, Hawai'i Lodging & Tourism Association
10. Marilyn Verner, General Manager, The Imperial Hawaii Resort
11. Chris Tatum, Vice President & Market General Manger, Waikiki Beach Marriott Resort & Spa

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## **CITY COUNCIL**

CITY AND COUNTY OF HONOLULU  
HONOLULU, HAWAII

ADOPTED ON **JUN 4 2014**

COMMITTEE REPORT NO. **145**

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Your Committee considered and approved a proposed posted CD1 version that makes the following amendments:

- A. Reduces the tax rate assessed on Class (B) hotel and resort properties by \$0.50 to \$12.90 per \$1,000 net taxable real property;
- B. Increases the tax rate assessed on Class (I) residential A properties by \$0.50 to \$6.00 per \$1,000 net taxable real property; and
- C. Makes various technical and non-substantive amendments.

Your Committee on Budget is in accord with the intent and purpose of Resolution 14-53, as amended herein, and recommends its adoption in the form attached hereto as Resolution 14-53, CD1. (Ayes: Kobayashi, Fukunaga, Pine - 3; Noes: Chang - 1; Excused: Manahan - 1.)

Respectfully submitted,

  
Committee Chair

RECEIVED  
JUN 10 2014

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**CITY COUNCIL**  
CITY AND COUNTY OF HONOLULU  
HONOLULU, HAWAII

ADOPTED ON JUN 4 2014

COMMITTEE REPORT NO. 145



## RESOLUTION

DETERMINING THE REAL PROPERTY TAX RATES FOR THE CITY AND COUNTY OF HONOLULU FOR THE FISCAL YEAR JULY 1, 2014 TO JUNE 30, 2015.

WHEREAS, Article VIII, Section 3, and Article XVIII, Section 6, of the Constitution of the State of Hawaii, as amended, granted to the counties the authority to assess, impose, and collect real property taxes; and

WHEREAS, Section 8-11.1 of the Revised Ordinances of Honolulu 1990, as amended, provides that the Council of the City and County of Honolulu shall annually set the tax rate or rates for the classes of real property established in accordance with Section 8-7.1(c)(1), Revised Ordinances of Honolulu 1990, as amended; and

WHEREAS, under said Section 8-7.1(c)(1), Revised Ordinances of Honolulu 1990, as amended, the following classes are established as general classes for purposes of real property taxation:

- (A) residential
- (B) hotel and resort
- (C) commercial
- (D) industrial
- (E) agricultural
- (F) preservation
- (G) public service
- (H) vacant agricultural
- (I) residential A;

and

WHEREAS, Section 8-6.2 of the Revised Ordinances of Honolulu 1990, as amended, provides for the assessment and levying of real property taxes on a fiscal-year basis beginning July 1 of each calendar year and ending June 30 of the following calendar year; now, therefore,



## RESOLUTION

BE IT RESOLVED by the Council of the City and County of Honolulu that the following schedule of rates be, and are hereby, determined as the respective rates at which real property in the various general classes in the City and County of Honolulu shall be taxed per \$1,000 of assessed value for the fiscal year July 1, 2014 to June 30, 2015.

		Tax Rate Per \$1,000 Net Taxable Real Property
Class (A)	residential	\$ 3.50
Class (B)	hotel and resort	\$12.90
Class (C)	commercial	\$12.40
Class (D)	industrial	\$12.40
Class (E)	agricultural	\$ 5.70
Class (F)	preservation	\$ 5.70
Class (G)	public service	\$ 0.00
Class (H)	vacant agricultural	\$ 8.50
Class (I)	residential A	\$ 6.00

INTRODUCED BY:

Ann Kobayashi

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DATE OF INTRODUCTION:

March 6, 2014  
Honolulu, Hawaii

Councilmembers